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FISCAL IMPACT STATEMENT

LS 6481

BILL NUMBER: SB 132

NOTE PREPARED: Mar 15, 2006

BILL AMENDED: Mar 14, 2006

SUBJECT: Correction of 2005 Child Services Legislation.

FIRST AUTHOR: Sen. Lawson C

FIRST SPONSOR: Rep. Budak

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill makes technical corrections as directed by Senate Enrolled Act 529-2005. The bill relocates appropriation provisions in current law to a new location in the Indiana Code. It repeals obsolete provisions and provisions being moved to a new location. It also provides that certain license applications may be denied or revoked if an employee or volunteer of the applicant or licensee have certain criminal convictions.

The bill provides that a person may not operate a child caring institution and a child placing agency may not operate a foster family home if the number of children exceeds the number authorized by the license or if the children are maintained in a place not designated by the license. The bill also creates the Division of Family Resources Child Care Fund and the Department of Child Services Child Care Fund. It provides that on June 30, 2006, the balance of the Child Care Fund shall be transferred to the Division of Family Resources Child Care Fund.

The bill also specifies to whom a criminal history background check requirement applies. The bill requires applicants of certain licenses to conduct criminal history checks of certain employees and volunteers. The bill also provides that the Department of Child Services (DCS) shall inform certain applicants of licenses if the Department has information that a person has been identified as a perpetrator of abuse or neglect.

Effective Date: Upon Passage; July 1, 2006.

Explanation of State Expenditures: *National Criminal History Background Checks:* The bill removes language which requires a child welfare caseworker or juvenile probation officer from having to conduct a

criminal history background check for each person who is expected to reside in a location designated as a "relative" out-of-home placement for a child. The DCS reports that caseworkers are currently not enforcing this. Thus, no reduction in expenditures is anticipated as a result.

Child Abuse or Neglect Records: Under the bill, applicants (child caring institutions, foster homes, group homes, and child placing agencies) are required to conduct a criminal history background check for all employees and volunteers of the applicant. This includes collecting information pertaining to substantiated reports of child abuse or neglect. The bill requires the DCS to provide an applicant with the aforementioned substantiated report information. This provision of the bill would increase the workload of the DCS. The bill is silent as to whether or not the information would have to be collected for all current volunteers and employees of applicants. Actual increases in workload for the DCS would be dependent on administrative action. Should the bill only apply to future volunteers and employees, the DCS's workload would increase. Should it apply to current and future volunteers and employees, the DCS's workload would increase substantially; however, the overall workload would decrease significantly after information for current volunteers and employees was provided. The number of current volunteers and employees is unknown, however, is estimated to be between 13,000 and 15,000.

Child Care Fund: Under current law, funding for training and facilitating compliance with and enforcement of regulation of residential child care establishments is funded from the Child Care Fund. As proposed, the funding source for the aforementioned activities would be shifted to the Department of Child Services Child Care Fund (see *Department of Child Services Child Care Fund*).

In addition, the Child Care Fund would be renamed as the Division of Family Resources Child Care Fund (see *Division of Family Resources Child Care Fund*). Under the bill, money in the Child Care Fund would be transferred to the Division of Family Resources Child Care Fund on June 30, 2006. As of February 24, 2006, there was \$338,984 in the Child Care Fund.

Department of Child Services Child Care Fund (DCS Fund): The bill establishes the DCS Fund for the purpose of providing training and facilitating compliance with and enforcement of: child services administration, child services programs, regulation of residential child care establishments, and foster care and placement of children. The DCS Fund consists of fees and civil penalties collected by the DCS. It is to be administered by the DCS. Administration expenses shall be paid from money in the DCS Fund. Money in the DCS Fund does not revert to the state General Fund at the end of the fiscal year.

Division of Family Resources Child Care Fund (DFR Fund): As proposed, the DFR Fund would no longer fund regulation of residential child care establishments. The DFR Fund would be used solely to provide training and facilitate compliance with and enforcement of day care regulations.

Explanation of State Revenues: See *Explanation of State Expenditures*.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Child Services.

Local Agencies Affected:

Information Sources: Allen County Juvenile Probation; Marion County Juvenile Probation; Hamilton County Juvenile Probation; James Payne, Department of Child Services; John Ryan, Department of Child Services; John Wood, Department of Child Services; Kathy Graham, IARCCA.

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